S. HRG. 98-281

CATALOG OF FEDERAL DOMESTIC ASSISTANCE

HEARING

BEFORE THE

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

OF THE

COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE

NINETY-EIGHTH CONGRESS

FIRST SESSION

ON

S. 1267

TO TRANSFER FROM THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET TO THE ADMINISTRATOR OF GENERAL SERVICES THE RESPONSIBILITY FOR PUBLICATION OF THE CATALOG OF FEDERAL DOMESTIC ASSISTANCE PROGRAMS, AND FOR OTHER PURPOSES

MAY 12, 1983

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THURSDAY, MAY 12, 1983

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CATALOG OF FEDERAL DOMESTIC ASSISTANCE

THURSDAY, MAY 12, 1983

U.S. SENATE,
SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, D.C.

The subcommittee met, at 3:35 p.m., in room SD-342, Dirksen Senate Office Building, Hon. Dave Durenberger (chairman of the subcommittee) presiding.

Present: Senator Durenberger.

OPENING STATEMENT OF SENATOR DURENBERGER

Senator DURENBERGER. The hearing will come to order.

Today we are holding a hearing on S. 1267, a bill I introduced this morning to transfer part of the responsibility for the Catalog of Federal Domestic Assistance from the Director of the Office of Management and Budget to the General Services Administration. In the Federal Program Information Act of 1977, the Director of OMB was charged with responsibility for the efficient and regular distribution of current information on Federal domestic assistance programs. The Catalog of Federal Domestic Assistance was developed pursuant to this act. It is a compendium of some 1,000 Federal programs administered by 52 agencies.

This source of information is invaluable. It gives the public an excellent summary of the domestic activities of the Federal Government. And, it provides State and local officials a roadmap through the tangle of Federal programs with which they must deal every day. As an example of the catalog's content, I am going to include in the record the entries for the programs administered by the Food and Nutrition Service of the Department of Agriculture.[1] There are 12 of them. If you multiply this times 100, you get a feel for the nature of the catalog.

Now, the bill we are considering today grew out of a desire by OMB to transfer all of the functions connected with the Program Information Act out of that office. If I understand the situation correctly, OMB now contends it is essential that the transfer occur because they somehow forgot to request funds for operating the catalog. I hope this mismanagement of office resources is not an indication of OMB's abilities to manage the Nation's budget. I am assuming we won't hear next month that, "Oops, we forgot the Navy."

Whether an oversight or a not-so-subtle tactic on the part of OMB, a total transfer of responsibilities under the Program Information

[1] See p. 15.

Act would be a serious mistake. Under this act, the Director is solely responsible for the catalog and the underlying information data base, from initial collection of the data, to verification and correction of the data, to designing the catalog's format, to its actual publication. I can understand that OMB might like to move the day-to-day production responsibilities out of the office. And, I am willing to do my best to move such a transfer through the Senate if I am convinced it will assist OMB to fulfill its other responsibilities for managing Federal assistance.

The bill we consider today would permit the actual preparation, printing, and distribution of the catalog to move over to GSA. Oversight, validation, and correction of data submitted by the agencies, as well as policy setting concerning implementation of the Program Information Act would, however, remain the responsibility of OMB. Moreover, OMB would remain responsible for collecting the data from the agencies and would continue to serve as the central contact of the line agencies with respect to Federal assistance program information.

The other major provision of my bill is designed to improve that section of the Federal Program Information Act that deals with allocation formulas. Federal formulas are a subject of longstanding concern to this subcommittee and this Senator. And, it is an area where OMB has repeatedly failed to live up to its responsibilities, both under the Program Information Act and more generally, to manage Federal assistance efficiently. I have been trying for over 2 years to get some cooperation from OMB on improving the management of Federal formulas. To date, all I have received are assurances that they are concerned about the issue and that they are actively looking into the matter. But, so far, I have seen no tangible action to improve formula management.

OMB may not yet have come to realize the waste of scarce Federal dollars that results from poorly designed and badly administered formulas, but most everyone else who has looked at the issue closely is convinced.

The Program Information Act requires that among the information included in the data base on Federal programs there be a description of the formulas governing distribution of program funds. There are two problems with the implementation of this provision: First, there is no standard definition of what constitutes a "formula"; and second, the descriptions of the formulas provided by the agencies vary from quite specific to meaninglessly vague.

This bill would define what constitutes an allocation and eligibility formula, and it would require that a description of such formulas be included in the information data base in a standard manner. This provision is not onerous. All it requires is that the agency report the statutory or Federal Register language which defines the formula, or to submit an equivalent mathematical statement of the formula. The bureaucrat running the computer to determine the allocations had better be able to provide this information in short order, or "something ain't right." If he can't put on paper the formula used to allocate the funds, how on Earth is he making these determinations?

Let me be blunt. The way this government designs and administers Federal formulas is badly in need of reform. OMB has yet to appreci-

ate this fact, and so I think it is time we got their attention. Quite frankly, I am perfectly happy with the way the catalog is currently produced. The only reason I can see to make the transfer OMB desires is if I am convinced it will result in an improvement in the management of Federal programs. Improving documentation of formulas is one very great improvement that can result.

Anyway, this opportunity to clean up its act in administering formulas will be good pratice for OMB. I am coming back in just a few weeks with a bill directed not at the documentation of formulas, but at their overall management. So, Joe, if this little provision gives you heartburn, you had better stock up on Rolaids. There is no relief in sight for you.

Thank you for being here. Joe Wright, Deputy Director of OMB. I am very pleased to have you here to tell us why we should transfer the catalog to GSA, and after that I will have a few questions.

TESTIMONY OF JOSEPH R. WRIGHT, JR., DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET, ACCOMPANIED BY LAWRENCE W. HUSH, FISCAL ECONOMIST, BUDGET REVIEW DIVISION, OMB; AND ROBERT BROWN, CHIEF, FEDERAL PROGRAM INFORMATION BRANCH, BUDGET REVIEW DIVISION, OMB

Mr. WRIGHT. Thank you very much, first of all, on being flexible on the starting time. I apologize for being late. I will submit my prepared testimony for the record.

Senator DURENBERGER. It will be made a part of the record.

Mr. WRIGHT. What we are doing is asking the subcommittee to transfer the responsibilities for the Federal Program Information Act, in particular the catalog, from OMB to GSA.

Very simply, Mr. Chairman, we believe the responsibilities of OMB are primarily budget policy, sometimes program policy and oversight and not the physical doing, which would include the printing of manuals or catalogs. We don't tend to be that good at it because we don't have much volume going from our shops. We have to contract most of it anyway and, so, we believe that a more proper use of our staff would be to maintain the policy, the oversight, and the responsibility but not the physical production of the catalog. That is one of the main reasons why we would like to see it transferred and we would also hope to convince you of our intent that we would properly conduct the oversight responsibilities.

We do understand that you are considering an amendment for a more intensive reporting of fraudulent Army Catalog and the Federal assistance program retrieval system. I guess our concern here is that we feel the catalog should be used by direct interested parties to the program agency and that is where you can obtain information on the catalog—which is very complex, newly changing and can involve an expensive collection process if they are placed in one location on an on-line system and then printed in a catalog. I suppose our main concern is not a lack of appreciation for the formula per se, but whether this would really be of any use to those people that would be coming in for information as to where to go to agencies in order to design applications, know about programs, so forth? And we will say, probably not.

Beyond that, I suppose we prefer something like H.R. 2592 which is a transfer. We feel like we can prepare the catalog and maintain the retrieval system in a more efficient way between OMB and GSA.

We will be more than happy to answer any questions you may have.

Senator DURENBERGER. Thank you very much.

Let me make sure I understand what you are willing and unwilling to settle for on the catalog.

It is my understanding that OMB is willing to retain responsibility for approving the final product and for guaranteeing the continued quality of the information that is contained in the catalog.

Mr. WRIGHT. Yes, sir, that is correct. From the start, which would be the requirement for the collection of data through our A–89 circular, to the point where the data would come in, we would review it at our Budget Review Division as well as in our Program Division for its accuracy. We will then transfer the data over to GSA and they would review it for accuracy.

Senator DURENBERGER. Somewhere along the line in the negotiations with GSA, I believe there was some question about the word "certification" and what it implies. OMB, I understand, was reluctant to agree to language that would have OMB "reviewing, correcting and certifying information."

Are we splitting semantic hairs there or can you tell me what the problem was?

Mr. WRIGHT. I can't really answer that question. I am trying to think. We might be splitting semantic hairs there. The information will be coming from the agencies to us and will be verified for us for printing in the catalog.

Senator DURENBERGER. You would be reviewing, you would be correcting, you would be certifying, so you would have no problem?

Mr. WRIGHT. That is right. I am not so sure what else certification means. If it comes to the agency and we verify it, I would imagine that is a form of certification. I don't exactly know what the argument was. Maybe it was a mechanical one that after it comes from us, GSA would send it back where we would be doing the proofreading. I would say that is probably not good use of OMB's time.

Senator DURENBERGER. Maybe it was a battle of semantics, but apparently you got right to the heart of the problem and solved it.

Let me go now to the rest of the questions that relate to the business of formulas.

The Program Information Act of 1977 requires that all formulas be described in the data base. The problem is, there is great variation in the way that particular requirement is interpreted among the various agencies. OMB, whether it was supposed to or not, has never standardized the requirement. All we are doing is trying to get some standardization to that formula requirement. That is the gist of the formula provisions that are in the bill.

One of the things that you indicated in your prepared statement, I understand, is that this section, section 3, presents you with resource problems. Let me ask you to explain that. I was under the impression that by this transfer we would be solving your resource problems, and that all we are doing is asking that GSA do something already required by law. What is the resource problem that is presented by this requirement?

Mr. WRIGHT. My understanding—and Larry Hush is with me who is with the Budget Review Division over at OMB, and he will go in more detail—is that to keep the formulas up-to-date and to maintain their details accurately it would take several staff like 6 months, wherever they work, at OMB or GSA, just to add that particular provision. It would complicate the data collection, particularly if you are maintaining the on-line retrieval system, and it would add to the printing cost of the catalog. I am sure that is not a big piece, but the question is: Is it worthwhile to put in the additional staff? And that is what we question.

Mr. HUSH. Our view is that the catalog is basically a document for the applicant. The treatment of formulas may be uneven from program to program but they are described in some detail already and in some cases quite a bit of detail. For the most part, this information we don't believe is helpful to the applicant in filling out the application. The primary purpose of the catalog is to help the community or individuals find out where they can apply. Expanding that section, we just wonder whether or not it would really help the applicant.

Senator DURENBERGER. I can't quarrel a great deal with that, but let me try to follow up my thinking a little bit.

You seem to be under the impression that the whole objective here is to provide the users of the catalog with more detailed information on formulas. It seems to me that conclusion misses the point entirely because underlying this catalog, this printed piece of information, is a huge comprehensive conglomeration of information in a data base that covers practically all the domestic activities of the Federal Government. This is the only place that all of that information exists.

It is also important to look beyond the user standpoint to the policymakers, whether it is budget policy in OMB or budget policy when we make it here in the Congress or authorization policy. The real need for this kind of information is by the people that have to make policy, budget or otherwise.

This particular piece of legislation wouldn't require the formula descriptions to be included in the catalog, only that they be included in the data base that underlies the catalog. In fact, it seems to me, it wouldn't change the directive to the agencies at all under the Program Information Act. They already are supposed to describe the formula. So, I have a hard time seeing the basis for the contention that it would be difficult to compile or would be overly expensive or whatever.

Am I missing something here?

Mr. HUSH. My impression is that the data base is printed in the catalog. If I understand, you are making a distinction between a data base as being something different from that in the catalog. Maybe it is, I don't know.

I think another concern we have generally is, if, for example, a description of the formula is expected that would allow someone to replicate the allocation of funds for a particular State, county, and city. This is a very complicated process. Hundreds of data elements, many of which are described in the catalog, are now used in the formulas. This affects the distribution of funds that should be in a particular area. That kind of detail would, I think, be virtually impos-

sible to summarize. You have to get that on a regular basis from the agency.

Mr. WRIGHT. Mr. Chairman, I guess what Larry is saying is that he feels that the information on formulas that are in the catalog at the present time is probably sufficient from an applicant's point of view to be able to evaluate whether or not that applies to them. Applicants should really go to the department that maintains up-to-date descriptions of the formulas or their characteristics if they want more information. The agency can help them for the assistance. Does it really pay to be able to go and put these mathematical formulas with all the descriptions on an up-to-date basis on an on-line system and then put it into the catalog and require more staff and perhaps delay the catalog? I don't know.

By the way, Bob Brown, who heads up the catalog staff is here.

Senator DURENBERGER. Are you going to GSA?

Mr. BROWN. Yes, sir.

Senator DURENBERGER. I don't know whether we are talking apples and oranges to a certain degree, because I have never seen the gory details of one of these mathematical formulas.

Mr. WRIGHT. Would you like to see it?

Senator DURENBERGER. Not particularly.

I was over for dinner at the White House the night before last with my colleagues who are up for reelection in 1984, and after we got through eating and toasting each other the President launched into this 10- or 15-minute discussion of what is wrong with the way we report and gather unemployment statistics in this country. And I won't belabor you with the information that he has been provided by a lot of key aides about what is wrong with the way we come up with the unemployment figures and why it is that every month he is supplied with two sets of figures and that sort of thing.

But there you have the President of the United States going batty over what he understands, probably with very good reason, to be inaccurate data about who really is unemployed in this country. And, yet, somehow or other that information, because some law requires it, gets put into the Dole-Durenberger formula for providing health care for unemployed persons, where it results in x dollars to Michigan versus x dollars to Minnesota and x dollars here—even though the President of the United States says it is probably a bunch of bunk to begin with.

There are a variety of so-called statistical series, whether based on population or based on income or based on a variety of things that are being used here in the Government. And my impression, from the last few years that I have been at this, is that the policymakers who decide that you've got a scarce dollar here and you want it to get to the person who needs it most, often can't get it to the person who needs it most because we have 190 formulas that go off in 1 million different directions using a variety of statistical information or statistical theories. That doesn't help us prioritize the use of dollars.

It has occurred to me that relating this to the catalog is a good way to get OMB interested in what is actually behind all of those formulas, looking at those formulas and determining whether or not they have any particular basis, whether or not they ought to be changed. And

that, you know, is why I am reluctant to see this catalog and data base or any part of it move off someplace else. But I will go along with moving the catalog and Mr. Brown and whoever else off to GSA as long as I know that back in OMB somebody cares about the formulas and somebody is pulling out basic information on these formulas and then periodically during the course of budget policymaking is applying some judgment about how best to change formulas in order to get the best use out of our dollars.

Is that an insensible way for me to approach it? You folks are the experts at not letting us spend money and in cutting the deficit and targeting scarce dollars; shouldn't you be desperately interested in trying to tackle this formula problem?

Mr. WRIGHT. Mr. Chairman, it is interesting, I just asked Larry, I whispered to him for a second, I said. "Should we really be fighting this? Is this really a problem?" And his answer was, "I think it would be extremely difficult to compile this information in a central source and have it be accurate."

I don't disagree with what you said at all. By no means do I have a philosophical problem.

Senator DURENBERGER. I am clear on that.

Mr. WRIGHT. I think we are talking about mechanics.

Senator DURENBERGER. My staff has been gathering this sort of information during the last few months and they have made a variety of judgments that in some cases get reflected in legislation I have been dealing with. I question whether it is all that big a problem to pull that kind of information together.

How do you know it is a huge problem or an insurmountable problem?

Mr. HUSH. Several years ago, if I remember correctly, there was a similar separate bill or amendment to a similar bill requesting this kind of information in the catalog, I believe, and at that time we talked with Congressman Fascell, who was requesting that information. In the process of responding to his question we collected some detailed information on formulas on the 15 largest formulas. That accounted for, I believe, 80 to 90 percent of the total number of dollars. There were about 100 formula programs but the largest dozen or so accounted for 80 to 90 percent of the dollars.

I was involved in that. What I tried to do is determine how much money went to a particular community—for example, Cincinnati, or Des Moines, Iowa—and I found it to be enormously complex, arriving at that number. Especially the programing, the sequencing of the maximum/minimum requirement, hold-harmless requirement and other aspects are quite complicated. As I am sure you know, some formulas, for some programs have two different formulas and whoever gets the most you use that formula and then you prorate it and you go back again and do it again and prorate it again with maximum and minimum.

In writing all that up in a page or two, since the page or two simply can't capture all of that—what we are talking about is a substantial document for a hundred or several hundred programs. The data change regularly, and the formula changes as Congress reauthorizes it. Such information, especially in the catalog, would be very compli-

cated, it would be out of date soon. It would not give the detail that one could get by going directly to the agency.

Senator DURENBERGER. One of the most complicated of all of the formulas is revenue sharing. With regard to that one, all this bill requires is a legislative description of the formula. Looking at this just from the catalog standpoint, not in terms of how you change the formula, all this bill requires is that you use the legislative description of the formula.

Is that a difficult undertaking in the catalog process?

Mr. BROWN. If that were the case, and if it were stated that way. Of course, I have seen what we have in the catalog. There is a section called "Formula and Matching Requirements." For most programs, that section takes up 10, at the most, maybe 15 lines. If this is actually what you are after for the catalog, I don't think that would be bad. But it doesn't sound that way by reading the bill. It sounds like you are talking about something rather voluminous.

Senator DURENBERGER. Maybe that is because we refer to the mathematical formula where that is an alternative, where you don't have legislative language available. But I don't think we intended to complicate the problem to the point where it would be impossible to accomplish. I don't think that was our intention at all.

I am told I have to get to the floor to vote. I guess I am just going to have to leave you, Joe, and the rest of you, with the impression that we intend to pursue this. If you are anxious to get rid of the catalog responsibility, you will have to know that we are anxious to have you not get rid of the responsibility for formula management and, in fact, we are anxious to have you learn more about it and improve on it. Hopefully, over the period of the next month or two, as we are trying to move this bill, we can come to some agreement on what kind of a task is not an insurmountable task, that is, for the catalog, and for OMB in its efforts to certify and review data and so forth.

So, I would hope we leave this hearing with your willingness to work with us on both sides of this legislation.

Mr. WRIGHT. We will be more than happy to.

Senator DURENBERGER. Thank you very much.

[Mr. Wright's prepared statement follows:]

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

FOR RELEASE ON DELIVERY
Expected at 3:00 PM
Thursday, May 12, 1983

STATEMENT OF JOSEPH R. WRIGHT, JR.
DEPUTY DIRECTOR
OFFICE OF MANAGEMENT AND BUDGET
BEFORE THE
SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS OF THE
COMMITTEE ON GOVERNMENTAL AFFAIRS
OF THE UNITED STATES SENATE

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to present the views of the Office of Management and Budget on legislation that would transfer the operational responsibility for the Federal Program Information Act from the Director of the Office of Management and Budget to the Administrator of General Services. The Administration requested this action, and we fully support legislation such as S. 789 or similar legislation to accomplish the transfer. As I am sure you know, the House Committee on Government Operations has approved H.R. 2592, to accomplish the same purpose, and has recently voted to report it. We have coordinated our efforts with this Committee as well and greatly appreciate your efforts and cooperation in considering similar legislation.

Statutory authority for OMB to compile and distribute the

Catalog of Federal Domestic Assistance was provided by the Federal Program Information Act of 1977. That legislation also transfered responsibility for the Federal Assistance Program Retrieval System (FAPRS), an automated information retrieval system, from the Department of Agriculture to OMB. The Act was seeking to consolidate in one place responsibility for information on the Federal domestic assistance that is available for prospective applicants.

It is exactly this reasoning, plus GSA's line responsibility for similar activities, that prompted our request that this responsibility be transferred to GSA. We believe that the public, and the Catalog and FAPRS programs themselves, would be best served if responsibility for the Act were assigned to a line agency experienced in and having greater resources for assembling and disseminating information, rather than a staff agency to the President.

OMB would not have proposed and supported transfer of these responsibilities if it had any doubt about whether the quality of the Catalog and FAPRS would be maintained at GSA. To assure that the quality will be maintained:

-- OMB Circular No. A-89, which governs the submission of information needed to compile the Federal program information data base, will continue to require agencies to send Catalog material directly to OMB.

-- When this information is received by OMB, it will be logged at a central control point and reviewed for completeness.

-- OMB staff will work with GSA staff to ensure that:
    - o information is obtained from agencies on a timely basis.
    - o the reports received have the required information, and
    - o any incomplete or inaccurate reports are checked and corrected.
-- OMB will have an oversight role, which we expect to be part and parcel of the continuing responsibility we are assuming for the quality of the Catalog and FAPRS.

Moreover, we expect that the same highly professional staff that has produced the information data base, the Catalog, and FAPRS at OMB would continue to do so at GSA. We have complete confidence in their abilities and in their determination to maintain the quality of the products they produce.

I understand that your Committee is considering further amendments to the Federal Program Information Act that would require more extensive reporting on formulas in the Catalog and FAPRS than is now called for. In addition, an annual report compiling this information would be required.

The Act now has a rather general requirement regarding information on formulas, specifically: "a description of formulas governing distribution of amount." This requirement applies only to formula grants for States and localities.

The proposed amendments are much more specific, and would require:

"(3) a specification of each formula governing

eligibility for assistance or the distribution of assistance under the program, which shall be described through the use of --

"(A) the language used to specify each such formula in the law authorizing the program;

"(B) the language used to specify each such formula in any Federal rule promulgated pursuant to the law authorizing the program; or

"(C) a mathematical statement which is derived from the language referred to in subparagraphs (A) and (B) of this paragraph;

"(4) a description of all data and statistical estimates used to carry out each formula specified pursuant to paragraph (3), and an identification of the sources of such data and estimates;".

It is doubtful that the inclusion of detailed technical information on formulas in the Catalog or in FAPRS would be worth the effort. The Catalog and FAPRS are designed to direct someone to a source of assistance and then to the appropriate Federal offices for more detailed information on applying for Federal funds; but we do not think that detailed descriptions of the formulas would be helpful in the preparation of an application. Moreover, the information would be voluminous, complex, and soon out of date, and including it would probably delay issuance of the Catalog. Thus, we do not see a clear advantage to changing the current practice of providing summary information on formulas in the Catalog and FAPRS.

Nor do we believe that a central compilation of detailed information on formulas independently of the Catalog would be worthwhile. As I have explained, such information would be extremely difficult to compile comprehensively and accurately and would be out of date soon. Also to prepare a comprehensive annual report would require a small central staff for six months or more, and would entail additional costs for computer resources, printing, and related items. We believe that the best way to get complete and accurate information on formulas is to go directly to the administering agencies at the time the information is needed.

For all these reasons, we support legislation to transfer operational responsibility for the Federal Program Information Act from the Director, OMB to the Administrator, GSA. In order to facilitate prompt Congressional action on this legislation; we would favor a bill such as H.R. 2592 as approved by the House Committee on Government Operations. I would be glad to answer any questions you might have.

Senator DURENBERGER. The subcommittee will now adjourn.

[Whereupon, at 4:10 p.m., the subcommittee recessed, to reconvene subject to the call of the Chair.]

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ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

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Catalog of Federal Domestic Assistance

Executive Office of the President
Office of Management and Budget

FOOD AND NUTRITION SERVICE

10.550 FOOD DISTRIBUTION
(Food Donation Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 32 of Public Law 320, 74th Congress, as amended, 7 U.S.C. 612c; Public Law 165, 75th Congress, 15 U.S.C. 713c; Sections 6, 9, and 17 of the National School Lunch Act, as amended, 42 U.S.C. 1755, 1758, 1766; Section 416 of the Agricultural Act of 1949, as amended, 7 U.S.C. 1431; Section 402 of the Mutual Security Act of 1954, as amended, 22 U.S.C. 1922; Section 210 of the Agricultural Act of 1956, 7 U.S.C. 1859; Section 9 of the Act of September 6, 1958, as amended, 7 U.S.C. 1431b; Act of September 13, 1960, as amended, 7 U.S.C. 1431 note; Section 709 of the Food and Agriculture Act of 1965, as amended, 7 U.S.C. 1446a-1; Section 13 of the National School Lunch Act, as amended, 42 U.S.C. 1761; Section 8 of the Child Nutrition Act of 1966, 42 U.S.C. 1777; Section 311 of the Older Americans Act of 1965, as amended, 42 U.S.C. 3030a; Section 604 of the Older Americans Act of 1965, as amended, 42 U.S.C. 3057c; Section 4(a) of the Agriculture and Consumer Protection Act of 1973 as amended, 7 U.S.C. 612c note; Section 14 of the National School Lunch Act as amended, 42 U.S.C. 1762a; Section 409 and 410 of Public Law 93-288, 42 U.S.C. 5179-5180. Section 6 of Public Law 95-166. 91 Stat. 1334, Section 10 of Public Law 95-166, 91 Stat. 1336, Section 12(b) of Public Law 95-627, 92 Stat. 3625; Section 211 of Public Law 96-494, 94 Stat. 2577; Section 202(c) of Public Law 96-499, 94 Stat. 2600.

OBJECTIVES: To improve the diets of school children; needy persons in households on or near Indian reservations or in the Trust Territory of the Pacific Island or the Commonwealth of the Northern Mariana Islands and in charitable institutions; and, other individuals in need of food assistance, and to increase the market for domestically produced foods acquired under surplus removal or price support operations.

TYPES OF ASSISTANCE: Formula Grants; Sale, Exchange, or Donation of Property and Goods.

USES AND USE RESTRICTIONS: Food is made available for distribution to qualifying households, individuals, child feeding programs, schools, charitable institutions, nutrition programs for the elderly, and nonprofit summer camps for children. Households and individuals may not be charged. Donated foods may not be sold, exchanged, or otherwise disposed of (authorized distribution excepted) without prior, specific approval of the Department. FNS administrative funds must be expended to assist in meeting operating expenses incurred in administering food distribution programs for needy persons in households. These funds may not be used to purchase real property (land or buildings).

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Such State, Trust Territory of the Pacific Islands Commonwealth of the Northern Mariana Islands and Federal agencies that are designated as distributing agencies by the Governor, legislature, or other authority may receive and distribute donated foods. Frequently different agencies are designated for the household program and for the school and institutional programs. The State distributing agency which administers the household program is eligible to receive Federal cash assistance (administrative funds) to assist in meeting operating expenses incurred in administering the needy family program. Indian tribal organizations may request to be their own State agency for administration of the needy family program on Indian reservations. Areas of the Trust Territory of the Pacific Islands and of the Commonwealth of the Northern Mariana Islands which desire the program for needy households or individuals must apply to the appropriate State agency for foods and funds. School and other child feeding programs are eligible but must meet detailed requirements concerning facilities, meal content, meal charges, etc. Charitable institutions are eligible to the extent they serve needy persons. They must apply to their responsible State distributing agency. Elderly nutrition programs that are funded under Title III of the Older Americans Act of 1965 must apply to their State Agency on Aging for commodities or cash in lieu thereof; elderly nutrition programs for Indians on reservations that are funded under Title VI of the Older Americans Act must apply to FNS Regional Offices for such assistance.

Beneficiary Eligibility: Families must live in an area on or near an Indian Reservation which has the program and must be certified by local welfare authorities as having inadequate income and resources. The family head may be employed, pensioned, striking, or unemployed. Upper limits of allowable income and resources vary with family size and among various states. All children in schools, child care institutions, and summer camps which participate in the program may benefit from food donations. Foods donated to charitable institutions (on the basis of needy persons served) and to nutrition programs for the elderly, may be used for the benefit of all served.

Credentials/Documentation: Individual households are individually certified by local welfare offices based on State eligibility standards. Cost of State administrative expenses will be determined in accordance with OMB Circular No. A-87 for State and local governments.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Not applicable.

Application Procedure: All states except Kansas now have distributing agencies-no applications necessary. Local governments, schools, other child nutrition, nonprofit summer camps for children, charitable institutions, and nutrition programs for the elderly must apply to State distributing agency on its forms. A State plan of operation is required for programs for individuals and agencies which must be forwarded to the Department for approval. Heads of households apply to local welfare authorities on forms supplied by State or local office. No application required for cash assistance (operating expense funds) in administering needy family food distribution program.

Award Procedure: Cash assistance is provided by the Department to State agency for use in household program operations. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: None.

Range of Approval/Disapproval Time: Not applicable.

Appeals: None except that heads of households may appeal adverse or delayed decisions as the State plan provides.

Renewals: Program continues once approved unless withdrawal is requested or required because of program irregularities; households and individuals are recertified periodically.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Not applicable to food donations. Administrative expense funds for distribution to households are allocated on basis of need for funds. No matching funds required for Trust Territory and Commonwealth of the Northern Marianas but state agencies are expected to bear cost of program administration aside from the additional contribution made by the grants. For State agencies distributing to households on or near Indian Reservations is a 25 percent matching requirement, except with justification.

Length and Time Phasing of Assistance: Food donations continuous; cash assistance released quarterly by Treasury check or by Letter of Credit to Federal Reserve Banks. State distributing agency may withdraw funds as needed; unspent funds must be returned at end of fiscal year.

POST ASSISTANCE REQUIREMENTS:

Reports: Donated foods-monthly reports of quantities distributed, by type of recipient and the numbers of needy persons in households receiving foods. Cash assistance grants-monthly and quarterly reports of withdrawals, expenditures, and obligated funds.

Audits: Both types of assistance are reviewed annually by Regional Office and are subject to audit by Office of Inspector General, USDA. Periodic audits should be made as part of the recipient's system of financial management and internal control to meet terms and conditions of grants and other agreements.

Records: Adequate to account for all receipts and dispositions; to be retained for 3 years following the close of the fiscal year.

FINANCIAL INFORMATION:

Account Identification: 12-4336-0-3-351; 12-5209-0-2-60; 12-3503-0-1-605; 12-3539-0-1-605.

Obligations: (Grants) FY 81 $1,033,410,000; FY 82 est $576,946,000; and FY 83 est $575,206,000 (Does not include bonus commodities estimate). (Formula grants) FY 81 $10,249,000; FY 82 est $10,600,000; and FY 83 est $11,220,000.

Range and Average of Financial Assistance: Not applicable.

PROGRAM ACCOMPLISHMENTS: During fiscal year 1981, over 1.8 billion pounds of food were purchased for distribution. Children in schools, child care and summer food service programs received 1.6 billion pounds; 77.7 million pounds were distributed to needy families and 143.9 million pounds were provided for charitable institutions, including nonprofit summer camps for children. The nutrition program for the elderly received 18.3 million pounds of food.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 CFR 250; 7 CFR 283.

INFORMATION CONTACTS:

Regional or Local Office: See Food and Nutrition Service Regional Offices listed in Appendix IV of the Catalog.

Headquarters Office: Food Distribution Division, Food and Nutrition Service, Department of Agriculture, Washington, DC 20250. Telephone: (202) 447-8371 (Use same 7-digit number for FTS). Contact: Darrel Gray.

RELATED PROGRAMS: 10.551, Food Stamps; 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.556, Special Milk Program for Children; 10.557, Special Supplemental Food Program for Women, Infants, and Children; 10.565, Commodity Supplemental Food Program; 13.600, Administration for Children, Youth and Families—Head Start; 13.635, Special programs For the Aging—Title III-Part C- Nutrition Services; 84.010, Educationally Deprived Children—Local Educational Agencies; 84.014, Follow Through.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.551 FOOD STAMPS

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: The Food Stamp Act of 1964; Public Law 88-525; 78 Stat. 703, 7 U.S.C. 2011-2026 (1964) as amended, Public Law 90-91; 81 Stat. 228; Public Law 90-552; 82 Stat. 958; Public Law 91-116; 83 Stat. 191; Public Law 91-671; 84 Stat. 2048; Public Law 92-603; 86 Stat. 1329; Public Law 93-86; 87 Stat. 247; Public Law 93-233; 87 Stat. 947; Public Law 93-335; 88 Stat. 291; Public Law 93-347; 88 Stat. 340; Public Law 93-563; 88 Stat. 1841; Public Law 94-44, 89 Stat. 235; Public Law 94-182, 89 Stat. 1056; Public Law 94-339, 90 Stat. 799; Public Law 94-365, 90 Stat. 990; Public Law 94-379, 90 Stat. 1111; Public Law 94-585, 90 Stat. 2901; Public Law 95-59, 91 Stat. 255; Public Law 95-97, 91 Stat. 825; Public Law 95-113, 91 Stat. 958; Public Law 95-348, 92 Stat. 487; Public Law 95-400, 92 Stat. 856; Public Law 95-458, 92 Stat. 1255; Public Law 96-58, 93 Stat. 389, Public Law 96-249, 94 Stat. 357, Public Law 96-243, 94 Stat. 345, Public Law 97-18, Public Law 97-35. Public Law 97-98, 95 Stat. 1282 (7 U.S.C. 2012).

OBJECTIVES: To improve diets of low-income households by supplementing their food purchasing ability.

TYPES OF ASSISTANCE: Direct Payments for Specified Use.

USES AND USE RESTRICTIONS: Households receive a free coupon allotment which varies according to household size and which is reduced by 30 percent of net income. The coupons may be used in participating retail stores to buy any food for human consumption and garden seeds and plants to produce food for personal consumption of eligible households. In certain remote areas of Alaska, recipients may use food coupons to purchase hunting and fishing equipment for procurement of food excluding firearms, ammunition and other explosives. Food coupons may be used by certain elderly and handicapped persons and their spouses who cannot prepare their own meals to have meals delivered to them in their homes by authorized meal delivery services. Elderly persons and their spouses may also use food coupons to purchase meals in establishments providing communal dining for the elderly. Drug addicts and alcoholics who are participating in approved rehabilitation programs may use food coupons to purchase meals prepared under the program. Effective July 1, 1981, disabled or blind persons receiving benefits under Title II or Title XVI of the Social Security Act may use coupons to purchase meals prepared and served under certain group living arrangements. Effective January 7, 1982, residents of shelters for battered women and children may use food coupons to purchase meals prepared by shelters.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: The State or U.S. Territory agency responsible for federally aided public assistance programs submits requests for the program to USDA's Food and Nutrition Service on behalf of local political subdivisions. Effective July 1, 1982, Puerto Rico will implement a Nutrition Assistance Grant Program in lieu of the Food Stamp Program.

Beneficiary Eligibility: Households may participate if they are found by local welfare officials to be in need of food assistance. Examples might include households who are receiving some form of welfare assistance, or are unemployed, part-time employed, working for low wages, or living on limited pensions. Eligibility is based on family size and income, and their level of resources. Able-bodied adults with certain exceptions, must meet a work registration requirement.

Credentials/Documentation: Households are individually certified by local welfare offices based on national eligibility standards, with verification as required by regulation. Governors (or their designated plan review agencies) must be given an opportunity to review the state plan pursuant to Part III, Attachment A of OMB Circular No. A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: None.

Application Procedure: The Food Stamp Act of 1977, as amended (Public Law 95-113) requires each State agency to submit to Food and Nutrition Service for approval, a Plan of Operation specifying the manner in which the Food Stamp Program would be conducted in every political subdivision within the State.

Award Procedure: The Secretary of Agriculture designates each State agency to operate the program upon submittal of the request.

Deadlines: The authority to continue the Food Stamp Program has been extended through September 30, 1981.

Range of Approval/Disapproval Time: Full implementation of the nationwide mandate was completed in fiscal year 1975, except for certain Indian reservations which may continue in the Food Distribution Program through 1981.

Appeals: Each State agency is required to provide any aggrieved household with a fair hearing.

Renewals: Program continues once approved unless there is a substantial failure to comply with regulations or withdrawal on the part of the State.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Department of Agriculture pays 100 percent of the cost of benefits. The statistical factors used for fund allocation are: 1. Cost of the Thrifty Food Plan and the source is "ERS" and 2. CPI (national except for territories outside

continental United States and the source is "BLS" (CPI for urban wage earners and clerical workers semiannually.) The statistical factor used for eligibility is : 1. nonfarm poverty income guidelines and the source is "OMB poverty guidelines" (modified).

Length and Time Phasing of Assistance: Length of assistance period varies and time phasing is not applicable.

POST ASSISTANCE REQUIREMENTS:

Reports: Monthly report of coupons with a summary of inventory of coupons on hand; monthly and quarterly report on the number of households and persons receiving aid; monthly and semi-annual quality control reports; quarterly financial status report; cumulative totals for the fiscal year and whether reductions or increases may be necessary.

Audits: Projects and recipients are subject to audit by Office of Inspector General, USDA.

Records: Records of households certified, coupons issued, and records relating to any financial transaction, are required and must be maintained for 3 years.

FINANCIAL INFORMATION:

Account Identification: 12-3505-0-1-605.

Obligations: (Direct payments to individuals) FY 81 $10,677,006,000; FY 82 est $10,347,350,000; and FY 83 est $8,918,000,000.

Range and Average of Financial Assistance: Varies by income and family size. Expected to average approximately $39.24 per month per person in fiscal year 1982, and $41.89 in fiscal year 1983, and $41.89 in fiscal year 1983.

PROGRAM ACCOMPLISHMENTS: During fiscal year 1981, every area in every State operated a food stamp program. Participation per month averaged 22.4 million persons.

REGULATIONS, GUIDELINES, AND LITERATURE: Procedures and pamphlets available from regional offices, no charge: "Characteristics of Food Stamp Households, September 1976, and February 1978, "FNS-168; "How to Apply for and Use Food Stamps, "PA-1236; "Building a Better Diet," PA-1241; "Food Stamp Program - Cashier Training Manual," PA-1176; "Food Stamp Program - A Guide for Retailers," PA-1221 (English), PA-1221-S (Spanish); "Guide for Law Enforcement and Regulatory Agencies," PA-1181 (English), PA-1181-S (Spanish); "Official Food List," FNS-110 (English), FNS-110-S (Spanish), FNS-110-A (for Alaska), FNS-110-C (Chinese), FNS-110-K (Korean), FNS-110-V (Vietnamese); "We accept Food Stamps," FNS-132 (English), FNS-132-S (Spanish); "Cash Register Stickers," FNS-135 (English), FNS-135-S (Spanish); "Tips for Cashiers," FNS-136 (English/Spanish), FNS-136-K (Korean), FNS-136-V (Vietnamese); "Tips for Tellers," FNS-144; "We accept Food Stamps (newspaper slicks)," FNS-146; "Tips for Wholesalers," FNS-187 (English/Spanish); "Tips for Nonprofit Communal Dining Facilities, "FNS-220; "Tips for Restaurants Serving as Communal Dining Facilities," FNS-221.

INFORMATION CONTACTS:

Regional or Local Office: See the Food and Nutrition Service Regional Offices listed in Appendix IV of the Catalog.

Headquarters Office: Deputy Administrator, Family Nutrition Programs, Food and Nutrition Service, Department of Agriculture, Alexandria, VA. 22302 Telephone: (703) 756-3024 (Use same 7-digit number for FTS). Contact: Christopher Martin, Acting Deputy Administrator for Family Nutrition Programs.

RELATED PROGRAMS: 10.550, Food Distribution.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.553 SCHOOL BREAKFAST PROGRAM

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 4 of the Child Nutrition Act of 1966 as amended; Public Law 89-642; 80 Stat. 886 U.S.C. 1773; Public Law 89-642; 80 Stat. 886; 42 U.S.C. 1773; Public Law 90-302; 82 Stat. 119; 42 U.S.C. 1773; Public Law 91-248, 84 Stat. 214, 42 U.S.C. 1773; Public Law 92-32; 85 Stat. 85; 42 U.S.C. 1773; Public Law 92-433; 86 Stat. 724; Public Law 94-105; 89 Stat. 511; Public Law 95-166, 91 Stat. 1337; Public Law 95-627, 92 Stat. 3620; Public Law 96-499, 94 Stat. 2599; Public Law 97-35.

OBJECTIVES: To assist states in providing nutritious breakfasts for school children, through cash grants and food donations.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: Federally appropriated school breakfast program funds are available to reimburse participating public and nonprofit private schools, of high school grade or under, for breakfasts, meeting the nutritional requirements prescribed by the Secretary of Agriculture, served to eligible children. Participating schools are reimbursed at rates not less than those shown in the Formula and Matching Requirements Section. The rates of reimbursement are adjusted on an annual basis to reflect changes in the series of food away from home of the Consumer Price Index. For the period through June 30, 1982, the rates of reimbursement are 8.25 cents for all breakfasts, an additional 19.25 cents for each reduced price breakfast, and an additional 48.75 cents for each free breakfast. In cases of severe need, a payment of up to 38.50 cents and 68.50 cents may be made for each breakfast served to children qualifying respectively for a reduced price and a free breakfast. All participating schools must agree to supply free and reduced price meals to eligible children, and to operate the program on a nonprofit basis for all children without regard to race, color, national origin, or the ability to pay.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: State and U.S. Territory agencies or private schools whose average annual tuition does not exceed $1,500 and residential child care institutions (except Job Corps Center) which are exempt from income tax under the Internal Revenue Code. Schools desiring to participate must agree to operate a nonprofit breakfast program which is available to all children regardless of race, color, creed or national origin.

Beneficiary Eligibility: All children attending schools in which the breakfast program is operating may participate. Breakfast is served free or at a reduced price to children who are determined by local school authorities to be unable to pay the full price. Such determinations are made in accordance with income eligibility guidelines prescribed by the Secretary and cross-reference family income with family size. The Secretary revises these income eligibility guidelines each July 1; the statistical source used in making such revisions is the OMB Nonfarm Income Poverty Guidelines.

Credentials/Documentation: Applicants must furnish evidence of nonprofit status.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: The application forms as furnished by the State agency or FNS, as applicable, must be used for this program.

Application Procedure: Public schools in all states make application to the State Educational Agency. Appropriate forms may be obtained from this agency. Nonprofit private schools should also apply to the State Educational Agency. In some states, however, the State Educational Agency is prohibited by State statute from disbursing Federal funds to nonprofit private schools. In such instances, the application will be referred to the appropriate Food and Nutrition Service regional office. This program in private schools is subject to the provisions of OMB Circular No. A-110.

Award Procedure: When application is approved, school makes agreement with appropriate agency on a fiscal year basis. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: Federal-State agreement must be signed by October 1.

Range of Approval/Disapproval Time: Agreements are effective upon approval of the State Educational Agency or Food and Nutrition Service, regional office where applicable, and are effective until the following September 30.

Appeals: State Educational Agencies or Food and Nutrition Service regional offices, where applicable, are responsible for determining a school's eligibility.

Renewals: Annually as of October 1.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Federal funds are made available for breakfast assistance in accordance with Section 4 of the Child Nutrition Act on a performance basis by (1) multiplying the number of all breakfasts served during the fiscal year by a national average payment (NAP), (2) multiplying the number of breakfasts served free to eligible children by a national average payment prescribed by the Secretary for free breakfasts; and multiplying the number of reduced price breakfasts served to eligible children by a NAP prescribed by the Secretary for reduced-priced breakfasts. The amount of Federal funds due the grantee is the sum of the products obtained from these three computations. The statistical factors used in this formula are: (1) the NAP's, and (2) the total number of breakfasts served to eligible children, and (3) the number of such breakfasts served free or at reduced price. The NAP's are prescribed by the Secretary and adjusted each July 1 in accordance with the Consumer Price Index for all Urban Consumers; the source of this adjustment factor is the Bureau of Labor Statistics. The source of the numbers of breakfasts served, including the number served free or at reduced price, is the programmatic reports submitted to FNS and described under "Post Assistance Requirements." This program has maintenance of effort (MOE) requirements. See funding agency for further details.

Length and Time Phasing of Assistance: For the period covered by the agreement. Fiscal year basis.

POST ASSISTANCE REQUIREMENTS:

Reports: State Agencies, schools and institutions file monthly reports on program operation to claim for reimbursement.

Audits: Final reports on program operations and cash disbursed to shcools must be received by FNS 150 days after the close of the fiscal year to which they pertain. Programs are subject to biennial audits as required by OMB Circular No. 102, to assure proper utilization of program funds.

Records: Schools must maintain full and accurate records of its breakfast program. Such records shall be retained for a period of 3 years after the end of the fiscal year to which they pertain.

FINANCIAL INFORMATION:

Account Identification: 12-3539-0-1-605.

Obligations: (Grants) FY 81 $319,100,000; FY 82 est $335,000,000; and FY 83 est $383,800,000.

Range and Average of Financial Assistance: Average Federal cash assistance for fiscal year 1981 was 48.8 cents per meal; estimated for fiscal year 1982 is 49.6 cents.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1981, 654 million breakfasts were served. In fiscal year 1982, an estimated 675 million breakfasts will be served.

REGULATIONS, GUIDELINES, AND LITERATURE: "Child Nutrition Programs", PA-948, pamphlet, no charge; Regulations-7 CFR Part 220-School Breakfast Program regulations, Part 245 - Determining Eligibility for Free and Reduced Price Meals and Free Milk in Schools.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Director, School Programs Division, Food and Nutrition Service, Department of Agriculture, Alexandria, VA 22302. Telephone: (703) 756-3590 (Use same 7-digit number for FTS) Contact: Samuel P. Bauer.

RELATED PROGRAMS: 10.550, Food Distribution; 10.556, Special Milk Program for Children; 10.557, Special Supplemental Food Program for Women, Infants, and Children; 10.558, Child Care Food Program; 10.559, Summer Food Service Program for Children; 84.010, Educationally Deprived Children—Local Educational Agencies; 84.014, Follow Through.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.555 NATIONAL SCHOOL LUNCH PROGRAM
(School Lunch Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: National School Lunch Act of 1946 as amended; Public Law 89-642; 80 Stat. 884 U.S.C. 1773; Public Law 79-396; 60 Stat. 230; 42 U.S.C. 1751; Public Law 87-823, 76 Stat. 944; 42 U.S.C. 1752; Public Law 91-248, 84 Stat. 208, 42 U.S.C. 1752; Public Law 92-153; 85 Stat. 419,420; 42 U.S.C. 1753; Public Law 92-433, 86 Stat. 726; Public Law 93-150; 87 Stat. 560-564; Public Law 93-326; 88 Stat. 286-287; Public Law 94-105; 89 Stat. 512-515; Public Law 95-166, 91 Stat. 1325-1346; Public Law 95-627 92 Stat. 3603-3626; Public Law 96-499, 94 Stat. 2599; Public Law 97-35.

OBJECTIVES: To assist states, through cash grants and food donations, in making the school lunch program available to school children.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: Federally appropriated national school lunch program funds are available to reimburse participating public and nonprofit private schools, of high school grade or under, including residential child care institutions, for lunches meeting the nutritional requirements prescribed by the Secretary of Agriculture, served to eligible children. Participating schools are reimbursed at rates prescribed by states. The rates of reimbursement are adjusted on an annual basis to reflect changes in the series of food away from home of the Consumer Price Index. For the period Septmeber 1, 1981, through June 30, 1982, the rates of reimbursement are 10.50 cents general cash assistance for all lunches, an additional 58.75 cents for each reduced price lunch, and an additional 98.75 cents special cash assistance for free lunch. Schools that served 60 percent or more free or reduced price lunches in the second preceeding school year receive an additional 2 cents general cash assistance for all lunches served. In addition to cash reimbursement, the national average value of donated commodities for each lunch is 11.00 cents until June 30, 1982. All participating schools must agree to supply free and reduced price meals to eligible children.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: State and U.S. Territory agencies and private schools (whose average annual tuition does not exceed $1,500) and residential child care centers, (except Job Corps Centers) and settlement houses which are exempt from income tax under the Internal Revenue Code, as amended. Schools desiring to participate must agree to operate a nonprofit lunch program which is available to all children regardless of race, color, creed, or national origin.

Beneficiary Eligibility: All children attending schools in which the lunch program is operating may participate. Lunch is served free or at a reduced price to children who are determined by local school authorities to be unable to pay the full price. Such determinations are made in accordance with income eligibility guidelines, which are prescribed by the Secretary and cross-reference family income with family size. The Secretary revises these income eligibility guidelines each July 1; the statistical source used in making such revisions is the OMB Nonfarm Income Poverty Guidelines.

Credentials/Documentation: Applicants must furnish evidence of nonprofit status.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: The application forms as furnished by FNS or the State agency, as applicable must be used for this program.

Application Procedure: Public schools in all states make application to the State Educational Agency. Appropriate forms may be obtained from this agency. Nonprofit private schools should also apply to the State Educational Agency. In some states, however, the State Educational Agency is prohibited by State statute from disbursing Federal funds to nonprofit private schools. In such instances, the application will be referred to the appropriate Food and Nutrition Service regional office. This program in nonpublic schools is subject to the provisions of OMB Circular No. A-110.

Award Procedure: Selection of schools for participation in the program shall be in accordance with the following: (1) schools shall be selected for participation in the general cash for food assistance phase of the program on the basis of need and attendance; (2)

schools shall be selected for participation in the special cash assistance phase of the program on the basis of the need of such schools for assistance in the serving of free or reduced price lunches to children unable to pay the full price of the lunch. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: Federal-State Agreement must be signed by October 1.

Range of Approval/Disapproval Time: Agreements are effective upon approval by the State educational agency or FNSRO, where applicable, and are effective until the following September 30.

Appeals: None. State Educational Agencies and FNSRO's, where applicable, are responsible for determining a school's eligibility.

Renewals: Annually as of October 1.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The funding formula for the general cash-for-food assistance phase of the program is set forth in Section 4 of the National School Lunch Act, as amended, the formula for special cash assistance is described in Section 11 of the Act. Both phases of the program are funded on a performance basis. For every lunch served during the applicable fiscal year, the State receives a payment from funds made available under Section 4. In addition, the State receives a payment from Section 11 funds for each lunch served to a child eligible for free or reduced-price lunches. The amounts of such per-lunch payments are determined by "National Average Payment" (NAP) factors. The amount due the State under this program is obtained by: (1) multiplying the total number of eligible lunches served during the fiscal year by the Section 4 NAP factor; (2) multiplying the number of free lunches served by the Section 11 NAP factor for free lunches; (3) multiplying the number of lunches served at reduced price by the Section 11 NAP factor for reduced-price lunches; and (4) adding together the three products obtained thereby. The NAP factors are prescribed by the Secretary in accordance with Sections 4 and 11, respectively, of the Act; the numbers of lunches are obtained from programmatic reports submitted to FNS. Section 11 of the Act requires that the NAP factors be adjusted annually according to changes in the Consumer Price Index for All Urban Consumers; the source is the Bureau of Labor Statistics. Beginning with the 1981-82 school year (school year being defined as the period July 1 through June 30), each State must appropriate from State revenues and use for program purposes an amount equal to 30 percent of the Section 4 funds made available to the State in the 1980-81 school year. Also effective for the 1981-1982 school year, commodity only schools are now eligible to receive donated commodities equal in value to the sum of section 6 and section 4, except that up to 5 cents of this amount may be received in cash for processing and handling commodities. Commodity only schools are now eligible for free and reduced price lunches as well.

Length and Time Phasing of Assistance: For the period covered by the agreement. Fiscal year basis.

POST ASSISTANCE REQUIREMENTS:

Reports: State agencies and schools file monthly reports on program operation to establish their entitlement to program funds. States must submit reports on disbursements to schools. Obligations must be liquidated and final report submitted within 150 days after end of fiscal year to which they pertain.

Audits: School food authorities must obtain biennial audits as required by OMB Circular A-102, to assure proper utilization of program funds.

Records: Schools must maintain full and accurate records of their lunch programs. Such records shall be retained for a period of 3 years after the end of the fiscal year to which they pertain.

FINANCIAL INFORMATION:

Account Identification: 12-3539-0-1-605.

Obligations: (Grants) FY 81 $2,364,575,000; FY 82 est $2,045,367,000; and FY 83 est $2,229,500,000.

Range and Average of Financial Assistance: Average assistance per meal for fiscal year 1981 was 17.6 cents cash and 14.2 cents in food. Special assistance to needy children was averaged 78.1 cents per meal. Estimates for fiscal year 1982 are 11.3 cents cash and 11.1 cents food. Special assistance to needy children is estimated at 93.4 cents per meal.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1981, 4,288 million lunches were served. Of these, 1,745 million were served free or at reduced prices to needy children.

REGULATIONS, GUIDELINES, AND LITERATURE: Part 210 - National School Lunch Program regulations (35 F.R. 753, as amended); Part 245 - Determining Eligibility for Free and Reduced Price Meals and Free Milk in Schools (35 F.R. 14065).

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Director, School Programs Division, Food and Nutrition Service, Department of Agriculture, Alexandria, VA 22302. Telephone: (703) 756-3590 (Use same 7-digit number for FTS). Contact: Samuel P. Bauer.

RELATED PROGRAMS: 10.550, Food Distribution; 10.553, School Breakfast Program; 10.556, Special Milk Program for Children; 10.557, Special Supplemental Food Program for Women, Infants, and Children; 10.558, Child Care Food Program; 10.559, Summer Food Service Program for Children; 23.013, Appalachian Child Development; 84.010, Educationally Deprived Children—Local Educational Agencies; 84.014, Follow Through.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.556 SPECIAL MILK PROGRAM FOR CHILDREN

(School Milk Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Child Nutrition Act of 1966, as amended; Public Law 89-642, 80 Stat. 885, U.S.C. 1773; Public Law 93-150; 87 Stat. 563; 42 U.S.C. 1772; Public Law 93-347; 88 Stat. 341; Public Law 94-105; 89 Stat. 522; Public Law 95-166, 91 Stat. 1325; Public Law 95-627, 92 Stat. 3619; Public Law 96-499, 94 Stat. 2599; Public Law 97-35, 95 Stat. 527.

OBJECTIVES: To encourage the consumption of fluid milk by children of high school grade and under through subsidies to eligible schools and institutions.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: Funds are made available to State agencies to encourage the consumption of fluid milk by children in nonprofit schools of high school grade and under and nonprofit nursery schools, child care centers (except Job Corps Centers), settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children, provided that these schools do not participate in a meal service program authorized under the National School Lunch Act or the Child Nutrition Act of 1966. Private schools whose average yearly tuition exceeds $1,500 per child are ineligible to participate. Disbursement to States is made on the basis of the number of half pints of milk served, using a reimbursement rate specified by law, milk served free to eligible children is the option of the school (or district) involved.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Any State or U.S. Territory agency or nonprofit private school or child care institution of high school grade or under, except Job Corps Centers and private schools whose average yearly tuition exceeds $1,500 per child (does not include monies paid by State, country or local authorities for educating handicapped or other special-needs children), may participate in the Special Milk Program upon request if it does not participate in a meal service program authorized under the National School Lunch Act or the Child Nutrition Act of 1966. This generally includes nonprofit nursery schools, child care centers, settlement houses and summer camps. All schools and child care institutions which participate must agree to operate the program on a non-

profit basis for all children without regard to race, color or national origin.

Beneficiary Eligibility: All children attending schools and institutions in which the Special Milk Program is in operation may participate in the program.

Credentials/Documentation: Applicant must furnish evidence of nonprofit status.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: The standard application forms as furnished by the State agency or FNS, as applicable must be used for this program.

Application Procedure: Public schools in all states make application to the State educational agency. Appropriate forms may be obtained from this agency. Nonprofit private schools and institutions should also apply to the State educational agency. However, in some states, the State educational agency is prohibited by State statute from disbursing Federal funds to nonprofit private schools and institutions. In such instances, the application will be referred to the appropriate Food and Nutrition Service regional office. This program in private schools is subject to the provisions of OMB Circular No. A-110.

Award Procedure: State agency or Food and Nutrition Service regional office, where applicable, reviews written application of school or child care institution and upon determination of eligibility takes written agreement with sponsor for participation in the program. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: Federal-State agreement must be signed by October 1.

Range of Approval/Disapproval Time: Agreements are effective upon approval of the State educational agency or Food and Nutrition Service, where applicable, and are effective until the following September 30.

Appeals: None. State educational agencies or Food and Nutrition Service regional offices, where applicable, are responsible for determining eligibility of a school or institution.

Renewals: Annually as of October 1.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The reimbursement rate for each paid half pint of milk served in schools and institutions that participate in the Special Milk Program during school year 1981-82 is 9 cents. This rate will be adjusted each school year to correspond to the change in the Producer Price Index for Fresh Processed Milk and the source is Monthly Labor Review, Bureau of Labor Statistics. The statistical factor used for beneficiary eligibility for free milk is the poverty level and the source is the OMB non-farm income poverty guidelines. In no event may the rate exceed the cost of milk to the school or institution; Each half-pint of milk served free to eligible children is reimbursed at full cost. There is no matching requirement, but the cost of paid milk in excess of the Federal reimbursement must be borne by sources within the States 7 CFR Part 215. Disbursement to States is made on the basis of the number of half pints served to children not eligible for free milk multiplied by $ .09, plus the number of half pints served to children eligible for free milk multiplied by the actual cost of milk. This program has maintenance of effort (MOE) requirements. See funding agency for further details.

Length and Time Phasing of Assistance: For the period covered by agreement. Fiscal year basis.

POST ASSISTANCE REQUIREMENTS:

Reports: State agencies, schools and institutions file monthly reports on program operation to claim for reimbursement. States must submit final reports on program operations and cash disbursements to schools not later than 150 days after the close of the fiscal year to which they pertain.

Audits: School food authorities and institutions must obtain biennial audits as required by OMB Circular No. A-102 to assure proper utilization of program funds.

Records: Schools and institutions must maintain full and accurate records of its Special Milk Program operations. Such records shall be retained for a period of 3 years after the end of the fiscal year to which they pertain.

FINANCIAL INFORMATION:

Account Identification: 12-3302-0-1-605.

Obligations: (Grants) FY 81 $119,803,000; FY 82 est $28,100,000; and FY 83 est $28,600,000.

Range and Average of Financial Assistance: For fiscal year 1981, average Federal assistance was 15.7 cents for each half-pint of milk; in fiscal year 1982 it is estimated at 16.5 cents.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1981, 1.6 billion half-pints of milk were served; in fiscal year 1982, 278.4 million are estimated to be served.

REGULATIONS, GUIDELINES, AND LITERATURE: Part 215- Special Milk Program for Children regulations Part 245-Determining Eligibility of Free and Reduced Price Meals and Free Milk in Schools.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Director, School Programs Division, Food and Nutrition Service, Department of Agriculture, Alexandria, VA 22302. Telephone: (703) 756-3590 (Use same 7-digit numbers for FTS). Contact: Samuel P. Bauer.

RELATED PROGRAMS: 10.550, Food Distribution; 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.557, Special Supplemental Food Program for Women, Infants, and Children; 10.558, Child Care Food Program; 10.559, Summer Food Service Program for Children; 84.010, Educationally Deprived Children—Local Educational Agencies; 84.014, Follow Through.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.557 SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

(WIC Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Child Nutrition Act of 1966, as amended, 42 U.S.C. 1771 et seq; Public Law 92-433; Section 17 of Child Nutrition Act of 1966, as amended; 86 Stat. 729; Public Law 94-105; Section 17 of the Child Nutrition Act of 1966, as amended; 89 Stat. 518; Public Law 95-627, 92 Stat. 3611 et. seq.; and extended by omnibus Reconciliation Act of 1980; Public Law 96-499, Section 203(d), 94 Stat. 2601.

OBJECTIVES: To supply supplemental nutritious foods and nutrition education as an adjunct to good health care to low income participants identified to be at nutritional risk with respect to their physical and mental health by reason of inadequate nutrition or health care, or both.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: Grants are made to State health or comparable agencies, Indian tribes, bands, or intertribal councils, or groups recognized by the Department of the Interior, or the Indian Health Service of the Department of Health, and Human Services in order to make supplemental foods available to pregnant, postpartum and breastfeeding women, infants, and children up to five years of age through local public or nonprofit private health or welfare agencies. Funds must be expended to purchase supplemental foods for participants or to redeem vouchers issued for that purpose. Twenty percent of the total Federal funds provided may be used for State and local agency administrative costs. State and local agencies are provided administrative funds according to formulas determined by FNS. Only local agencies qualifying under State agency application may operate WIC programs.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: A local agency is eligible to apply to participate in the WIC program provided: (a) it gives health services free or at reduced cost or can arrange for such service to be provided

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to residents of low-income areas; (b) it serves a population of women, infants, and children at nutritional risk; (c) it has the personnel, expertise, and equipment to perform measurements, tests, and data collection specified for the WIC program or can arrange for such services (d) it maintains or is able to maintain adequate medical records; and (e) it is a public or private nonprofit health or welfare agency. All applicants must apply through the responsible State or U.S. Territory agency.

Beneficiary Eligibility: Pregnant, postpartum or breastfeeding women, infants, and children up to 5 years of age shall be eligible if they are determined by a competent professional on the staff of the local agency to be in need of the special supplemental foods supplied by the program, because of nutritional risk, and they have a family income which meets a level set by the State agency, which complies with standards set by USDA.

Credentials/Documentation: Individuals are certified as meeting an income standard. Certification regarding nutritional need for supplemental foods is determined by professionals on staff of local health facility. Costs will be determined in accordance with OMB Circular No. A-87 for State and local governments. Governors (or their designated Plan review agency) must be given an opportunity to review the State Plan pursuant to Part III, Attachment A of OMB Circular No. A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Application is made through submission of a State Plan of Program Operation and Administration as required by the Federal agency.

Application Procedure: Local agencies must apply to the State health agency in writing. The State or U.S. Territory agency must notify the local agency of the status of the application within 30 days of receipt. Individual participants apply for WIC benefits at the approved local agency.

Award Procedure: Funds are awarded by the Department on the basis of funding formulas to State agencies for further distribution to approved local agencies subject to the availability of appropriated funds. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: A State plan for the next fiscal year is required by August 15.

Range of Approval/Disapproval Time: An eligibility determination will be made within 30 days of submission of a completed plan.

Appeals: Local agency or food vendor appeals-The State agency shall provide a hearing procedure whereby a food vendor or local agency adversely affected by a State action may appeal the action. The right of appeal shall be granted when a local agency's or a food vendor's application to participate is denied, when participation is terminated, when a contract is not renewed by the State agency, or when any other adverse action which affects participation is taken. The adverse action shall be postponed until a hearing decision is reached. Participant appeals. The State agency shall provide a hearing procedure through which any individual may appeal a State or local agency action which results in the individuals denial of participation, suspension, or termination from the Program.

Renewals: The program authorization has been extended through September 30, 1984.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Grants are allocated on the basis of formulas determined by the Department. The statistical factors used for fund allocation are: 1. (Program Formula of 80%) number of children under age 5 below 200% poverty by State and the source is "Survey of Income and Education," 1975 Census; 2. infant mortality rate by State and the source is "Vital Health Statistics," National Center for Health Statistics; 3. (only used in administrative funding formula 20%) State percentage of rural births and the source is "Vital Health Statistics," NCHS; and 4. (administrative formula 20%) public employment -- above average Salary data and the source is "Salary Data Report" Bureau of the Census and "Public Employment," Census. The factor used for eligibility does not apply to this program because it is determined by States within Federal parameters. Consideration is also given to current participation levels, historical and projected food costs and State administrative costs. No matching funds are required, but states and local agencies are expected to bear the administrative costs in excess of their administrative funds allocation.

Length and Time Phasing of Assistance: Grants have been released for the duration of the fiscal year, using Letters of Credit to the Department of the Treasury. State agencies may withdraw funds only as needed.

POST ASSISTANCE REQUIREMENTS:

Reports: Monthly report of participation, types of foods distributed or value of vouchers issued, operating expenses, and funds withdrawn from the Federal Letter of Credit. Annual report of Civil Rights Participation Data.

Audits: Each State agency shall provide for an independent audit of the financial operation in a representative sample of grant programs of the State agency and local agencies not less than once every two years.

Records: Adequate to account for amounts received and disbursed; food authorizations to each participant; food receipt, disposal, and inventory; medical measurements and income information taken.

FINANCIAL INFORMATION:

Account Identification: 12-3510-0-1-605.

Obligations: (Grants) FY 81 $771,444,000; FY 82 est $895,486,000; and FY 83 est $955,489,000.

Range and Average of Financial Assistance: Not presently available.

PROGRAM ACCOMPLISHMENTS: FNS has approved the operation of the WIC Program by 84 State agencies. This figure includes 50 states, 31 Indian agencies, Puerto Rico, the Virgin Islands and the District of Columbia. These State agencies had a peak participation of 2,264,781 in October of 1981.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 C.F.R. Part 246.

INFORMATION CONTACTS:

Regional or Local Office: See Food and Nutrition Service Regional Offices listed in Appendix IV of the Catalog.

Headquarters Office: Supplemental Food Programs Division, Food and Nutrition Service, Department of Agriculture, Alexandria, VA 22302. Telephone: (703) 756-3746 (Use same 7-digit number for FTS). Contact: Barbara Sandoval, Director.

RELATED PROGRAMS: 10.550, Food Distribution; 10.551, Food Stamps; 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.556, Special Milk Program for Children; 10.565, Commodity Supplemental Food Program; 13.600, Administration for Children, Youth and Families—Head Start; 23.013, Appalachian Child Development; 13.246, Migrant Health Centers Grants; 13.283, Center for Disease Control—Investigations, and Technical Assistance; 84.014, Follow Through.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: not applicable.

10.558 CHILD CARE FOOD PROGRAM

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 17 of the National School Lunch Act as amended by Public Law 94-105; 89 Stat. 522-525; Public Law 95-627,92 Stat. 3603-3626; and Public Law 97-35; Section 207 of Public Law 96-499, 94 Stat.2602.

OBJECTIVES: To assist States, through grants-in-aid and other means, to initiate, maintain or expand nonprofit food service programs for children in public and private non-profit non-residential institutions providing child care and private for-profit centers which receive compensation under Title xx for at least 25 percent of the children who are receiving non-residential day-care services.

TYPES OF ASSISTANCE: Formula Grants; Sale, Exchange, or Donation of Property and Goods.

USES AND USE RESTRICTIONS: Funds are made available for disbursement to eligible public and nonprofit private non-residential organizations including but not limited to day care centers, settlement houses, recreation centers, family and group day care pro-

grams, Head Start Centers, and institutions providing day care services for handicapped children and private for-profit centers which receive compensation under Title XX for at least 25 percent of the children who are receiving non-residential day care services. Disbursement is made on the basis of the number of lunches, suppers, breakfasts and snacks served, using reimbursement rates specified by law. Program institutions may receive reimbursement or not more than three meals per day per child; however, one of these meals must be a snack. The program is limited to 12 years old and younger, except that for children of migrant workers the age limit is 15 years, and for the mentally or physically handicapped person there is no age limit. (Handicapped persons over 12 years of age would be eligible to participate only in a center or home where the majority of the enrollees are 18 or under.) Meals must meet minimum requirements of the Department of Agriculture.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: The State and U.S. Territory Educational Agency or other agency within the State and U.S. Territory applies for and receives Federal funds for disbursement, except that in states where that agency is not permitted to disburse funds to any institution, the institution may receive funds directly from the Department of Agriculture.

Beneficiary Eligibility: Public and nonprofit private organizations including but not limited to day care centers, settlement houses, recreation centers, family day care programs, Headstart programs, institutions providing day care services for mentally or physically handicapped children, and private for-profit centers which receive compensation unter Title XX for at least 25 percent of the children who are receiving non-residential day care services, which are licensed or approved by State, local or Federal authority as a child care institution, or can satisfy Federal interagency day care requirements or program child care standards requirements. Any eligible institution can receive the child care program upon request.

Credentials/Documentation: Applicants must furnish evidence of tax-exempt status under the Internal Revenue Code of 1954 or be in the process of securing such status under this code, unless they are serving Title XX children. Cost of State administrative expenses will be determined in accordance with OMB Circular No. A-87.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: None.

Application Procedure: Institutions apply to the responsible State agency. Where the State does not administer the program, the application will be referred to the Food and Nutrition Service regional office. FNS will continue to administer the CCFP only in those States in which FNS has continously administered the program since October 1,1980, except that the State may, upon request to FNS, assume administration of the program. This program is subject to the provisions of OMB Circular No. A-110 or A-102.

Award Procedure: When application is approved, institution signs annual agreement with administering agency. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: Public Law 97-35 eliminated the requirements for State to submit a State Plan for CCFP operations.

Range of Approval/Disapproval Time: Not applicable to States. Institutions applying to States must receive decision within 30 calendar days after receipt of a completed application.

Appeals: The State must provide a fair hearing to any institution with a grievance concerning a denial of an institution's application for participation or a termination of the participation, a suspension of an institution's agreement, a denial of an application for start-up or advance payments, or a denial of all or a part of the claim for reimbursement.

Renewals: Annually.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Program funds are provided to the States through a Letter of Credit to reimburse institutions for their costs in connection with the food service operations, including administrative expenses. Appropriate rates of reimbursement, multiplied by the number of meals served to enrolled children, represents the basic Program payment that an institution receives for each meal type served. The assigned rates of reimbursement are adjusted annually to reflect changes in the services for food away from home of the Consumer Price Index for All Urban Consumers, published in the Bureau of Labor Statistics periodical entitled Monthly Labor Review. Donated foods or cash in lieu thereof are also made available. Program payments to center programs depend on the number of meals served to enrolled children multiplied by the appropriate rates of reimbursements. These rates are determined by the economic need of the children served. Using the Income poverty Guidelines issued by the Department of Agriculture, the child's economic need is based on a statement of family size and income which determines the childs economic need. The child is placed in one of three categories. Sponsoring organizations of day care homes are reimbursed for food service and administrative cost. The reimbursement for food service is passed on by sponsoring organization to the day care homes under their auspices. Meals served to the provider's own children are reimbursable only if such children are eligible for free or reduced meals. This program has maintenance of effort (MOE) requirements. Consult funding agency for further details.

Length and Time Phasing of Assistance: For the period covered by the agreement.

POST ASSISTANCE REQUIREMENTS:

Reports: Service institutions file monthly reports on program operation to claim reimbursement for meals served.

Audits: Institutions are subject to biennial audits by State agencies or the Department of Agriculture in States which do not administer the program, as well as by the General Accounting Office. Institutions do not bear the cost of audits.

Records: Service institutions must maintain full and accurate records of food service for a period of 3 years after the end of the fiscal year to which they pertain, except that audit findings which remain unresolved must be held pending final audit determinations.

FINANCIAL INFORMATION:

Account Identification: 12-3539-0-1-605.

Obligations: (Grants) FY 81 $289,800,000; FY 82 est $276,900,000; and FY 83 est $327,900,000; (does not include value of donated commodities).

Range and Average of Financial Assistance: In fiscal year 1981, the average reimbursement rate for all meal types was 53.0 cents, and in fiscal year 1982 the estimated average rate is 59.0 cents.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1981, an estimated 347 million meals were served; the estimate for fiscal year 1982 is 469 million meals and for fiscal year 1983 the estimate is 513 million meals.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 CFR Part 226. Child Care Food Program pamphlet (FNS-154), no charge; Menu Planning Guide (FNS-64), no charge; Food Buying Guide (FNS-108), no charge; Food Service Equipment Guide (PA-1264), no charge; Providing Food With Care (PA-1266), no charge; Outside School Hours Care Center Guide (FNS-217--English and Spanish), no charge; Food Chart (PA-1165--English and Spanish), no charge; CCFP Management Manual For Institution (PA-1265), no charge; Recipe Cards (FNS-86), $6.40 each.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Director, Child Care and Summer Programs Division, Food and Nutrition Service, Department of Agriculture, Washington, DC 20250. Telephone: (703) 756-3874 (Use same 7-digit number for FTS). Contact: Jordan Benderly.

RELATED PROGRAMS: 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.556, 10.559, Summer Food Service Program for Children; 13.600, Administration for Children, Youth, and Families—Head Start.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.559 SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

(Summer Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 13 of the National School Lunch Act as amended by Public Law 94-105; 89 Stat. 516-518; Public Law 95-166, 91 Stat. 1325; Public Law 95-627,92 Stat. 3622; Public Law 97-35; Section 206 of Public Law 96-499, 94 Stat. 2601.

OBJECTIVES: To assist States, through grants-in-aid and other means, to conduct nonprofit food service programs for needy children during the summer months and at other approved times, when area schools are closed for vacation.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: Funds are made available for disbursement to eligible service institutions which conduct a regularly scheduled program for children in areas where at least 50% of the children meet the income eligibility criteria for free and reduced price lunches, for any period during the months of May through September. Service institutions operating food service programs for children on school vacation under a continuous year round calendar may also apply. Disbursement to service institutions equals the full cost of food service operations, except that certain per meal rates cannot be exceeded. Meals must meet minimum requirements of the Department of Agriculture. Funds are also paid to any State for State administrative expenses for employing personnel, including travel and related expenses, and to supervise and give technical assistance to sponsors operating the SFSP.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: The State and U.S. Territory agency applies for and receives Federal funds for disbursement, except where the State does not administer the program the institution may receive funds directly from the Department of Agriculture.

Beneficiary Eligibility: Public and private non-profit school food authorities, public or private nonprofit residential summer camps, or units of local, municipal, county, or State governments. Conducting a regularly scheduled program for children from areas in which poor economic conditions exist, for any period during the months of May through September, at site locations where regularly scheduled food service is provided for children in attendance. Institutions which develop food service programs for children on school vacation at any time under a continuous school calendar may also participate. Public or private residential nonprofit Summer camps may also participate and receive reimbursement only for meals served to enrolled children eligible for free and reduced price meals under the National School Lunch Program or the School Breakfast Program guidelines.

Credentials/Documentation: Applicants must be given an opportunity to review the State plan pursuant to Part III, Attachment A of OMB Circular No. A-95 (revised). Cost of State administrative expenses will be determined in accordance with OMB Circular No. A-87.

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: None.

Application Procedure: Institutions apply directly to the responsible administering agency. Where the State does not administer the program, the application will be referred to the Food and Nutrition Service (FNS) regional office. Reimbursement may be made to noncamp sites serving one meal each day (breakfast, lunch, or snack), or two meals consisting of either a lunch and a snack or a lunch and a breakfast. Camp sites or migrant sites may serve up to four for more than two meals. This program is subject to the provisions of OMB Circular No. A-110, A-102 and the Department's Uniform Federal Assistance Regulations (7 CFR Part 3015).

Award Procedure: When an application is approved, the institution enters into an agreement with the appropriate agency for the duration of the summer program operations.

Deadlines: State Plan is due February 15. States establish the deadline date for sponsor application, however, no applications can be accepted after June 15.

Range of Approval/Disapproval Time: Not applicable to States. Institutions applying to States must receive decision in 30 days of receipt of a complete application.

Appeals: The States must have a hearing procedure for local service institution grievances.

Renewals: Annually.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Program funds are earned by the States and institutions on a per meal reimbursement basis with rates adjusted annually to reflect changes in the services for food away from home of the Consumer Price Index for All Urban Consumers. the poverty level and the source is OMB poverty guidelines (modified). This program has maintenance of effort (MOE) requirements. See funding agency for further details.

Length and Time Phasing of Assistance: For the period covered by the agreement.

POST ASSISTANCE REQUIREMENTS:

Reports: Service institutions file monthly reports on program operation to claim reimbursement for meals served.

Audits: Service institutions are subject to biennial audits in accordance to OMB Circulars No. A-110 and A-102 and the Departments Uniform Federal Assistance Regulations (7 CFR Part 3015).

Records: Service institutions must maintain full and accurate records of food service for a period of 3 years after the end of the fiscal year to which they pertain, except for unresolved audit findings, for which records must be retained until satisfactory resolution of audit issues.

FINANCIAL INFORMATION:

Account Identification: 12-3539-0-1-605.

Obligations: (Grants) FY 81 $121,700,000; FY 82 est $61,100,000; and FY 83 est $62,700,000 (does not include value of donated commodities).

Range and Average of Financial Assistance: In fiscal year 1981, the estimated average reimbursement rate for all meal types was 125.8 cents; estimated fiscal year 1982 rate is 135.8 cents.

PROGRAM ACCOMPLISHMENTS: In fiscal year 1981, 97 million meals were served. The estimate for fiscal year 1982 is 45 million meals.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 CFR Part 225. Sponsor Administrative Handbook (FNS-207), no charge; Sponsor Meal Preparation Handbook (FNS-207), no charge; Site Supervisor's Guide (PA-1179), no charge; Monitor's Handbook (FNS-179), no charge; Food Service Management Co. Handbook has been incorporated into the Sponsor Administrative Handbook.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Director, Child Care and Summer Programs Division, Food and Nutrition Service, Department of Agriculture, Washington, DC 20250. Telephone: (703) 756-3874 (Use same 7-digit number for FTS). Contact: Jordan Benderly.

RELATED PROGRAMS: 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.556, 10.558, Child Care Food Program; 13.600, Administration for Children, Youth and Families—Head Start.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.560 STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 7 of the Child Nutrition Act of 1966, as amended; Public Law 89-642, 80 Stat. 888, 42 U.S.C. 1773; Public Law 90-302, 82 Stat. 119, Public Law 91-248, 84 Stat. 210; Public Law 95-166, 91 Stat. 1338; Public Law 95-627, 92 Stat. 3621;

Public Law 97-35; Section 201 (G) of Public Law 96-499, 94 Stat. 2600; Public Law 97-35, 95 Stat. 531.

OBJECTIVES: To provide each State Educational Agency with funds for use for its administrative expenses in supervising and giving technical assistance to the local school districts and institutions in their conduct of child nutrition programs. Other State Agencies which administer the distribution of USDA donated commodities to schools are also provided with State Administrative Expense Funds.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: State Administrative Expense Funds must be used for purposes specified in the legislation, consistent with the cost principles and constraints on allowable and unallowable costs and indirect cost rates as prescribed in OMB Circular No. A-87. These funds may be used, under certain conditions, for the procurement of supplies, equipment, and services.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: State Educational Agencies responsible for the conduct of child nutrition programs, and agencies responsible for the distribution of USDA donated commodities to schools including agencies in the U.S. Territories.

Beneficiary Eligibility: Same as Applicant Eligibility.

Credentials/Documentation: Costs will be determined in accordance with OMB Circular No. A-87 for State Governors (or their designated Plan review agencies) must be given an opportunity to review the State Plan pursuant to Part III, Attachment A of OMB Circular No. A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Federal-State Agreement. The standard application forms as furnished by the Federal agency must be used for this program.

Application Procedure: State Agency enters into a written agreement with FNS on a form prescribed by FNS.

Award Procedure: Release of funds to a State Agency is contingent upon receipt and approval of a plan for disbursement of State Administrative Expense funds. At least twice during each fiscal year State Agencies submit information to the Food and Nutrition Service (FNS) on their use of these funds and their estimated funding needs for the duration of the fiscal year. Based on these estimates, FNS may reallocate available funds among States to insure the most effective usage. Notification of award must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: Annual plan for disbursement of State Administrative Expense Funds is due by May 15 of each year. Data on the actual usage of funds is due by March 1 and June 1 of each year.

Range of Approval/Disapproval Time: Not applicable.

Appeals: Not applicable.

Renewals: Annually as of October 1.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: The funds are allocated on the basis of an amount equal to one percent of the total funds used in the State during the second preceding year for the National School Lunch Program, School Breakfast Program, and Special Milk Program and the source is programmatic and fiscal data, FNS. A sliding scale grant based on the child care program is added and the source is programmatic and fiscal data, FNS. No State receives less than $100,000 or the amount it received in fiscal year 1981, whichever is larger. Any reduction of funds from State sources below the fiscal year 1977 level will result in a withdrawal of Federal funds under this grant, since the grant was not intended to reduce State funding. In addition, the Secretary has discretionary authority to provide funds to States for program improvement and the source is programmatic and fiscal data, FNS. The statistical factor used for eligibility is all State agencies administering supported programs and the source is the Child Nutrition Act of 1966, as amended, section 7. This program has a Maintenance of Effort (MOE) requirement; see funding agency for details.

Length and Time Phasing of Assistance: For the period covered by the agreement. Fiscal year basis. State Administrative Expense funds (for National School Lunch Program, School Breakfast Program, Special Milk Program, and Child Care only) made available to any State, remain available for obligation and expenditure by that State during the fiscal year immediately following the fiscal year for which the funds were made available.

POST ASSISTANCE REQUIREMENTS:

Reports: Each State agency shall submit quarterly financial status information on State Administrative Expense Funds on forms provided by FNS and shall continue to report information on the use of SAE funds after the end of the fiscal year to which they pertain until all unpaid obligations have been liquidated.

Audits: Each State agency shall provide for audits of State agency operations to be made with reasonable frequency, but not less than once every 2 years.

Records: Each State agency shall keep records on administrative expenses conforming with the applicable State plan and shall maintain current accounting records of State Administrative Expense Funds which shall adequately identify fund authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

FINANCIAL INFORMATION:

Account Identification: 12-3539-0-1-605.

Obligations: (Grants) FY 81 $38,226,000; FY 82 est $44,538,000; and FY 83 est $47,736,000.

Range and Average of Financial Assistance: The average allocation in fiscal year 1981 was $671,000, ranging from $77,000 to $3,027,000.

PROGRAM ACCOMPLISHMENTS: The availability of State Administrative Expense Funds has enabled State agencies to be more effective in meeting their administrative responsibilities under the National School Lunch, School Breakfast and Child Care Food Programs and to promote expansion of the programs.

REGULATIONS, GUIDELINES, AND LITERATURE: Regulations 7 CFR Part 235 - State Administrative Expense Funds.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Director, School Programs Division, Food and Nutrition Service, Department of Agriculture, Alexandria, VA 22302. Telephone: (703) 756-3590 (Use same 7-digit number for FTS). Contact: Samuel P. Bauer.

RELATED PROGRAMS: 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.558, Child Care Food Program.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.561 STATE ADMINISTRATIVE MATCHING GRANTS FOR FOOD STAMP PROGRAM

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Food Stamp Act of 1977, Public Law 95-113, 91 Stat. 958, Public Law 96-249, 94 Stat. 357.

OBJECTIVES: To provide Federal financial aid to State agencies for costs incurred to operate the Food Stamp Program.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: To provide Federal funding for administrative costs incurred by State and local agencies to operate the Food Stamp Program. Unless authorized by Federal legislation, outlays charged to other Federal grants or to Federal contracts may not be considered as State agency costs. Submission of claims for payments of administrative costs shall be in accordance with 7 CFR 277 of the Food Stamp Program Regulations.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Agreements are between USDA-FNS and State cooperators (U.S. Territories qualify as states for grant purposes).

Beneficiary Eligibility: Same as Applicant Eligibility.

Credentials/Documentation: Costs will be determined in accordance with 7 CFR 277 and cost allocation plans negotiated by a cognizant Federal agency for State government. Governors (or their designated Plan review agencies) must be given an opportunity to review the State Plan pursuant to Part III, Attachment A of OMB Circular NO. A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: No preapplication forms are required--plan of operation submitted by State agency when approved for funding. The forms as furnished by the Food and Nutrition Service must be used for this program.

Application Procedure: State governments may apply for Federal financial aid in accordance with requirements outlined in Part 7 CFR and 277.

Award Procedure: Food and Nutrition Service funds State cooperator operations.

Deadlines: State Plan deadline is August 15. Budgets are due 45 days prior to the end of each Federal Quarter.

Range of Approval/Disapproval Time: 30 days.

Appeals: Not applicable.

Renewals: Annually as of October 1.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Federal agency funds 50 percent of State administrative costs. In addition, State agencies may receive up to 75 percent of the costs of administering the program as provided for , in 7 CFR 277.

Length and Time Phasing of Assistance: Annually by fiscal year.

POST ASSISTANCE REQUIREMENTS:

Reports: Reports are submitted as required by Part 272 and 277.

Audits: Organization-wide as required in 7 CFR 3015 Subpart I.

Records: Financial records supporting documents, statistical records and all records pertinent to a grant program shall be retained for a period of 3 years. Additionally, those record retention requirements outlined stated in 7 CFR 3015 Subpart D. apply to this program.

FINANCIAL INFORMATION:

Account Identification: 12-3505-0-1-605.

Obligations: (Grants) FY 81 $500,992,000; FY 82 est $577,200,000; and FY 83 est $526,000,000.

Range and Average of Financial Assistance: State Administrative $370,000 to $47,833,000; $8,537,000.

PROGRAM ACCOMPLISHMENTS: Paid 50 percent of State Administrative cost of providing food stamps.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 CFR parts 277 and 3015.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Deputy Administrator, for Financial Management, Food and Nutrition Service, Department of Agriculture, Contact: Raymond A. Pugh, Telephone: (703) 756-3046.

RELATED PROGRAMS: 10.551, Food Stamps.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.564 NUTRITION EDUCATION AND TRAINING PROGRAM
(NET Program)

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 19 of the Child Nutrition Act of 1966, as amended, Public Law 95-166, 42 U.S.C. 1788, 91 Stat. 1340-1344; Section 213 of Public Law 96-499; 94 Stat.2603.

OBJECTIVES: To encourage the dissemination of nutrition information to children participating or eligible to participate in the school lunch and related child nutrition programs.

TYPES OF ASSISTANCE: Formula Grants.

USES AND USE RESTRICTIONS: Grants are made to State education agencies to provide for the nutritional training of educational and food service personnel, the food service management training of school food service personnel, and the conduct of nutrition education activities in schools and child care institutions.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: State and territorial education agencies or alternate State agencies.

Beneficiary Eligibility: Benefits ultimately accrue to school children in the form of improved nutrition education.

Credentials/Documentation: Costs will be determined in accordance with OMB Circular No. A-87 for State and local governments. Governors (or their designated Plan review agencies) must be given an opportunity to review the State Plan pursuant to Part III, Attachment A of OMB Circular No. A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: None. The standard application forms as furnished by the Federal agency and required by OMB Circular No. A-102 must be used for this program.

Application Procedure: During the first fiscal year of participation, an AD-623 is submitted for advance funding for coordinator; the AD-623 is amended to request needs assessment/planning funds, a State Plan is submitted for the remainder of the funding.

Award Procedure: The AD-623 is reviewed and approved by the Food and Nutrition Service (FNS) regional office. The State Plan is reviewed and approved by the appropriate FNS Regional Office. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: The State Plan is required within 9 months following the award of the needs assessment and planning grant for the first year of participation. In subsequent years, the State Plan must be submitted prior to the beginning of the fiscal year on a date to be determined by the Secretary of Agriculture.

Range of Approval/Disapproval Time: The Secretary must take action on State Plans within 60 days.

Appeals: Not applicable.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Program funds are provided to the States through a Letter of Credit to reimburse institutions for their costs in connection with the food service operations, including administrative expenses. Appropriate rates of reimbursement, multiplied by the number of meals served to enrolled children, represent the basic program payment that an institution receives for each meal type served. The assigned rates of reimbursement are adjusted annually to reflect changes in the services for food away from home of the Consumer Price Index for All Urban Consumers, published in the Bureau of Labor Statistics periodical entitled Monthly Labor Review. Donated foods or cash-in-lieu thereof are also made available. Program payments to center programs depend on the number of meals served to enrolled children, multiplied by the appropriate rates of reimbursement. These rates are determined by the economic need of the children served. Using the Income Poverty Guidelines issued by the Department of Agriculture, the child's economic need is based on a statement of family-size and income which determines the child's economic need category. The child is placed in one of three categories. Sponsoring organizations of day care homes are reimbursed for food service and administrative costs. The reimbursement is passed on by sponsoring organizations to day care homes under their auspices. Meals served to the provider's own children are reimbursable only if such children are eligible for free or reduced meals. This program has maintenance of effort (MOE) requirements. Consult funding agency for further details. The statistical factors used in fund allocation are: 1. enrollment in public schools and the source is "Statistics of Public Schools," Fall, 1980, NCES; 2. enrollment in private schools and the source is "Digest of Educational Statistics," NCES; 3. enrollment in residential child care institutions and the source is "USDA Annual Report of meal service in schools, Food and Nutrition Service," 1981; and 4. enrollment in nonresidential child care institutions and the source is "Day Care Centers in the U.S.: A National Profile" 1976-1977, Administration for Children, Youth, and Families. The statistical factor for eligibility does not apply to this program. Funds are apportioned based on the latest available enrollment data for schools and institutions in each State multiplied by 50 cents. States may use up to 15 percent of their total grant for up to 50 percent of expenditures for administration. If funds appropriated are not sufficient to meet

this formula, the amount granted to each State will be proportionately reduced.

Length and Time Phasing of Assistance: Fiscal year basis. Assistance is made available as required through letters of credit.

POST ASSISTANCE REQUIREMENTS:

Reports: In accordance with OMB Circular No. A-102.

Audits: In accordance with OMB Circular No. A-102, Attachment P.

Records: In accordance with OMB Circular No. A-102, Attachments C and H.

FINANCIAL INFORMATION:

Account Identification: 12-3539-0-1-605.

Obligations: (Grants) FY 81 $15,000,000; FY 82 est $5,000,000; and FY 83 est $0.

Range and Average of Financial Assistance: $75,000 to $1,974,000; $400,000. (Currently undergoing revision.)

PROGRAM ACCOMPLISHMENTS: Information not available.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 CFR 227.

INFORMATION CONTACTS:

Regional or Local Office: See Appendix IV of the Catalog.

Headquarters Office: Nutrition and Technical Services Division, Food and Nutrition Service, Department of Agriculture, Washington, DC 20250. Telephone: (703) 756-3585. Contact: Henry Rodriguez.

RELATED PROGRAMS: None.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

10.565 COMMODITY SUPPLEMENTAL FOOD PROGRAM

FEDERAL AGENCY: FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

AUTHORIZATION: Section 4(a) of the Agriculture and Consumer Protection Act of 1973, as amended, Public Law 93-86; 7 U.S.C. 612c (note); Food and Agriculture Act of 1977; Public Law 95-113; 91 Stat. 980.

OBJECTIVES: To improve the health and nutritional status of infants, children up to the age of 6, pregnant, postpartum and breastfeeding women through the donation of supplemental foods.

TYPES OF ASSISTANCE: Project Grants; Sale, Exchange, or Donation of Property and Goods; Formula Grants.

USES AND USE RESTRICTIONS: To provide Federal funding for administrative costs in making selected foods and nutrition education available to infants, preschool children up to the age of 6, pregnant women postpartum and breastfeeding mothers in low income families in order to prevent or correct nutritional deficiencies.

ELIGIBILITY REQUIREMENTS:

Applicant Eligibility: Agreements are made between the Department and the State agency, or an Indian tribe, band or group recognized by the Department of the Interior for the administration of the program, and between the Department and the State agency and distributing agency for the distribution of commodities.

Beneficiary Eligibility: To be certified as eligible to receive supplemental foods, each applicant must have: (a) categorical eligibility as an infant, child, or pregnant, postpartum or breastfeeding woman; and (b) eligibility for local benefits under existing Federal, State or local food, health or welfare programs for low income persons.

Credentials/Documentation: Participants are issued prescriptions for supplemental foods by personnel of a local agency or by such other personnel as the local agency may designate. Costs of State administrative expenses will be determined in accordance with OMB Circular No. A-87 for State and local governments. Governors (or their designated plan review agencies) must be given an opportunity to review the State plan pursuant to Part III, Attachment A of OMB Circular No. A-95 (revised).

APPLICATION AND AWARD PROCESS:

Preapplication Coordination: Application is made through submission of a State Plan of Program Operation and Administration as required by the Federal agency.

Application Procedure: The State agency shall require each agency which desires approval as a local agency, to submit an application which contains sufficient information to enable the State agency to make a determination as to the eligibility of that agency.

Award Procedure: The Department donates supplemental foods for use in accordance with the terms of Section 416 of the Agriculture Act of 1949. The States distribute the food to individual participants through local agencies. Notification of awards must be made to the designated State Central Information Reception Agency in accordance with Treasury Circular 1082.

Deadlines: A, State Plan for the next fiscal year is required by August 15.

Range of Approval/Disapproval Time: An eligibility determination will be made within 30 days of submission of a completed plan. (See Appeals).

Appeals: Participant appeals - The State agency shall provide a hearing procedure through which any individual may appeal a State or local agency action which results in the denial or termination of benefits to the individual.

Renewals: Not applicable.

ASSISTANCE CONSIDERATIONS:

Formula and Matching Requirements: Regulations in accordance with Public Law 95-113 allow U.S.D.A. to reimburse State and local agencies for administrative costs up to 15 percent of the annual appropriation available for the purchase of commodities.

Length and Time Phasing of Assistance: Not applicable.

POST ASSISTANCE REQUIREMENTS:

Reports: Financial, program, inventory, and civil rights reports shall be submitted as required by FNS at a frequency prescribed by FNS.

Audits: Each State agency shall provide for an independent audit of the financial operations in a representative sample of grant programs, of the State agency and local agencies not less than once every 2 years.

Records: Each State agency shall maintain accurate and complete records of all receipts and dispositions as detailed in the Final Regulations 247.13(a).

FINANCIAL INFORMATION:

Account Identification: 12-3510-0-1-605.

Obligations: (Food Donations and Grants) FY 81 $23,638,000; FY 82 est $25,461,000; and FY 83 est $0.

Range and Average of Financial Assistance: Not presently available.

PROGRAM ACCOMPLISHMENTS: During fiscal year 1981, FNS approved the operation of the CSFP by 12 State agencies. Participation in fiscal year 1981 was 113,000. Average participation for 1982 is estimated to be $142,000.

REGULATIONS, GUIDELINES, AND LITERATURE: 7 CFR 247. FY 1980 CSFP State Plan Guidance: Free from the Department.

INFORMATION CONTACTS:

Regional or Local Office: See Food and Nutrition Service Regional Offices listed in Appendix IV of the Catalog.

Headquarters Office: Supplemental Food Program Division, Food and Nutrition Service, Department of Agriculture, Alexandria, Virginia 22302. Telephone: (703) 756-3746 (Use same 7-digit number for FTS). Contact: Barbara Sandoval, Director.

RELATED PROGRAMS: 10.550, Food Distribution; 10.551, Food Stamps; 10.553, School Breakfast Program; 10.555, National School Lunch Program; 10.556, Special Milk Program for Children; 10.557, Special Supplemental Food Program for Women, Infants, and Children; 13.600, Administration for Children, Youth and Families—Head Start; 23.013, Appalachian Child Development; 84.014, Follow Through.

EXAMPLES OF FUNDED PROJECTS: Not applicable.

CRITERIA FOR SELECTING PROPOSALS: Not applicable.

98TH CONGRESS
1ST SESSION

S. 1267

To transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 12 (legislative day, MAY 9), 1983

Mr. DURENBERGER introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

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A BILL

To transfer from the Director of the Office of Management and Budget to the Administrator of General Services the responsibility for publication of the catalog of Federal domestic assistance programs, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 61 of title 31, United States Code, is amended—

(1) by adding at the end of section 6101 the following new paragraphs:

"(5) 'Director' means the Director of the Office of Management and Budget.

"(6) 'Administrator' means the Administrator of General Services."; and

(2) by striking out the phrase "Director of the Office of Management and Budget" each time that it appears and inserting in lieu thereof "Director".

SEC. 2. Section 6102 of title 31, United States Code, is amended—

(1) by striking out "prepare and maintain information on domestic assistance programs" in subsection (a) and inserting in lieu thereof "collect and review information on domestic assistance programs and shall provide such information to the Administrator of General Services"; and

(2) by striking out the second sentence of subsection (b) and inserting in lieu thereof "The Director shall be responsible for ensuring that the Administrator incorporates all relevant information received on a regular basis.";

(3) by striking out "Director" in subsection (c) and inserting in lieu thereof "Administrator";

(4) by striking out "and" at the end of subsection (c)(1), by striking out the period at the end of subsection (c)(2) and inserting in lieu thereof "; and", and by adding thereafter the following new paragraph:

"(3) shall ensure that the information in the computerized system is made current on a regular basis and that the printed catalogue and supplements thereto contain the most current data available at the time of printing.".

SEC. 3. (a) Section 6101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(5) 'formula' means any prescribed method for making individual determinations among recipients of Federal funds, either in terms of eligibility or actual funding allocations, that can be written in the form of either—

"(A) a closed mathematical statement; or

"(B) a computer program;

and from which the results can be objectively replicated, within reasonable limits due to rounding error, through independent application of such statement or program by different qualified individuals.".

(b) Section 6102(a) of such title is amended—

(1) by striking out subparagraph (E) of paragraph (2) and redesignating subparagraphs (F), (G), and (H) as subparagraphs (E), (F), and (G), respectively;

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (5), (6), and (7), respectively; and

(3) by inserting after paragraph (2) the following new paragraphs:

"(3) a specification of each formula governing eligibility for assistance or the distribution of assistance under the program, which shall be described through the use of—

"(A) the language used to specify each such formula in the law authorizing the program;

"(B) the language used to specify each such formula in any Federal rule promulgated pursuant to the law authorizing the program; or

"(C) a mathematical statement which is derived from the language referred to in subparagraphs (A) and (B) of this paragraph;

"(4) a description of all data and statistical estimates used to carry out each formula specified pursuant to paragraph (3), and an identification of the sources of such data and estimates;".

(c) Section 6102(c) of such title is amended—

(1) by redesignating paragraph (2) as paragraph (3) and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) The Director shall transmit annually the information compiled under paragraphs (3) and (4) of

subsection (b) to the Committee on Government Operations in the House of Representatives and the Committee on Governmental Affairs in the Senate; and".

SEC. 4. Sections 6103 and 6104 of title 31, United States Code, are each amended by striking out "Director" each place it appears and inserting in lieu thereof "Administrator".

SEC. 5. Title 31, United States Code, is amended by striking out section 6105 and inserting in lieu thereof the following:

"§ 6105. Oversight responsibility of Director

"The Director shall have oversight responsibility for the exercise of all authorities and responsibilities in this chapter not specifically assigned to the Director.

"§ 6106. Authorization of appropriations

"After October 1, 1983, there may be appropriated to the Administrator such sums as may be necessary to carry out the responsibilities of this chapter.".

SEC. 6. The analysis of chapter 61 of title 31, United States Code, is amended by striking out the item relating to section 6105 and inserting in lieu thereof the following:

"6105. Oversight responsibility of Director.
"6106. Authorization of appropriations.".

SEC. 7. The Director of the Office of Management and Budget shall transfer to the Administrator of General Services such personnel, property, records, and unexpended bal-

ances of appropriations available in connection with any authorities and responsibilities so transferred, as the Director of the Office of Management and Budget determines are necessary to carry out the responsibilities transferred pursuant to this Act.

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